

Reference 25

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TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

February 23, 1996

CERTIFIED MAIL
P 053 915 618

Mr. Richard Bergener
1518 Westheimer, Ste. 700
Houston, Texas 77057

Re: National Oil Recovery Corporation - Ingleside Facility
Solid Waste Registration No. 31288

Dear Mr. Bergener:

On February 16 and 19, 1996, representatives from the Texas Natural Resource Conservation Commission (TNRCC) Region 14 conducted an inspection of the National Oil Recovery Corporation (Norco) facility in Ingleside. Access was granted by Mr. Mike Ward, President of MJP Resources which is leasing the Norco facility. The inspection was conducted in response to an alleged crude oil pipeline spill from the facility on November 15, 1995. Analysis of the spilled residual reveals constituents not naturally occurring in crude oil. Therefore, this inspection was conducted to determine the types of material in storage at the facility.

During the inspection, an attempt was made to assess all of the tanks and determine the presence or absence of materials. The tanks that were accessible were sampled or verified empty. Please keep in mind that in some tanks there was not sufficient quantity of material to sample and the tank was considered empty, but the tank may contain residual sludge and may not be clean. Also, access to a number of the tanks was limited due to the poor condition of the stairways and catwalks.

On February 20, 1996, during a phone conversation with Susan Clewis of my staff, she informed you of the reason for and the extent of the investigation. You agreed that Norco would sample all the tanks that appeared to contain any material and split samples with our office. The following is our assessment of the tanks contents at the facility.

Tank 1: Appears to be empty.
Tank 2: Approximately 1/4 full of an oily material. Sampled 2/16/96.

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Tank 3:	Approximately 1/2 full of an oily material. Sampled 2/16/96.
Tank 4:	Appears to be empty.
Tank 5:	Appears to be empty.
Tank 6:	Appears to be empty.
Tank 7:	Approximately 1/2 full of an oily material. Sampled 2/16/96.
Tank 8:	Appears to be empty.
Tank 9:	Appears to be empty.
Tank 10:	Inaccessible, appears to be empty.
Tank 11:	Hatch open, empty.
Tank 12:	Inaccessible, some bolts missing from hatch, appears to be empty.
Tank 13:	Appears to be empty.
Tank 14:	Inaccessible, appears to be empty.
Tank 15:	Hatch open, empty.
Tank 16:	Inaccessible, some bolts missing from hatch, appears to be empty.
Tank 17:	Approximately 1/2 full of an oil/water mixture. Sampled 2/19/96.
Tank 18:	Inaccessible, appears to contain material.
Tank 19:	Inaccessible, appears to contain material.
Tank 20:	Full of an oil/water mixture. Sampled 2/19/96.
Tank 21:	Inaccessible, appears to contain material.
Tank 22:	Inaccessible, appears to contain material.
Tank 23:	Inaccessible, appears to contain material.
Tank 24:	Inaccessible, appears to contain material.
Tank 25:	Full, supposed to be fire water, not verified.
Tank 26:	Inaccessible, some bolts missing from hatch, appears to be empty.
Tank 27:	Inaccessible, all bolts in hatch, may contain material.
Tank 28:	Inaccessible, some bolts missing from hatch, appears to be empty.
Tank 29:	Hatch open, empty.
Tank 30:	Inaccessible, some bolts missing from hatch, appears to be empty.
Tank 31:	Inaccessible, some bolts missing from hatch, appears to be empty.
Tank N1:	(spent caustic tank), 3/4 full of an oily material. Sampled 2/16/96.
Tank N2:	(spent caustic tank), full of an oily material. Sampled 2/16/96.
Tank west of N2:	Inaccessible, appears to contain material.
Tank east of 28:	Hatch open, empty.

We request that Norco conduct an assessment of all tanks at the facility. This assessment should include:

1. Which tanks are clean.
2. Which tanks are empty but not clean.
3. Which tanks contain materials.
4. The tanks that contain materials should be sampled and the material characterized.

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In addition, a number of drums were documented throughout the facility. An assessment should also be conducted of the drums which includes characterization of the materials.

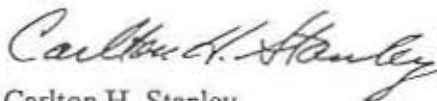
Both the tank and drum assessments should be conducted within 30 days. The TNRCC Region 14 office should be notified one week prior to the assessments so that we may participate and split samples. Also, Norco should make no attempt to remove any materials from the facility until it has been properly characterized for appropriate disposition.

It is also our understanding that Norco may have records indicating what materials are stored at the facility. Please provide that information to our office within two weeks.

During your conversation with Ms. Clewis you also questioned whether MJP Resources could continue to conduct business at the Norco facility. We recommend that MJP use only tanks and pipelines that have been documented as clean and of sound integrity. Records should be kept to document all materials received, stored and shipped.

If you or your client have any questions, please feel free to contact either Susan Clewis or myself at 512/851-8484.

Sincerely,



Carlton H. Stanley
Region 14 Manager

amw